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## Taiwan

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### Taiwan 2009 CSQ Rice Quota Update - September 15 Tender Results

**Report Categories:**

Grain and Feed

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**Report Highlights:**

On September 15, Taiwan successfully awarded the remaining 90 tons of Country Specific Quota (CSQ) designated for U.S. rice purchases under the Simultaneous-Buy-Sell (SBS) system. This completes the 2009 U.S. CSQ for 9,200 tons under the SBS tender system.

Under the normal tender system Taiwan awarded 4000 tons of U.S. milled rice to one successful bidder. Further tendering is scheduled for Oct 1, 2009.

**Executive Summary:**

Taiwan completed the first tranche of 18,000 tons for SBS tender by March 11, 2009, and completed 8,000 tons of the second tranche for SBS tender as of September 15, 2009. The second tranche of 4,000 tons of Australia CSQ under SBS failed three tendering processes and will now be tendered on a global basis.

On September 15, Taiwan awarded 90 tons of U.S. CSQ under SBS to one out of two bidders participating with a bid of NT\$0.610/kg (\$18.67/mt), 500 tons of Egyptian CSQ under SBS to one out of two bidders participating with a bid of NT\$0.660/kg (\$20.20/mt).

Two separate tranches of U.S rice were offered with first tranche buyers bidding for 10,000 tons of brown rice. This tender failed because offered prices exceed the pre-set ceiling price. Some success was seen in the second tranche bidding for 8,700 tons of U.S. milled rice with 4,000 tons awarded to one successful bidder at NT\$30,499/mt (\$933.54/mt.).

#### General Information:

Details of September 15, 2009 SBS Tender Results (Exchange rate: \$1 = NT\$32.67)

#### 1. SBS Tenders:

##### **GF4-980-153-2 for 90 tons U.S.-origin rice:**

Two bidders participated in the bid. One of them was awarded 90 tons of U.S. SBS quotas at the offered markup of NT\$0.610/kg (\$18.67/mt). The 2009 US CSQ under SBS tenders has concluded on September 15.

##### **GF4-980-154 for 4,000 tons Australia-origin rice:**

The tender failed again for the same reason that no bidders participated in the bid due to short supply. The tender has failed three tendering processes and is going to be opened for bidding on a global basis.

##### **GF4-980-156-2 for 500 tons Egypt-origin rice:**

Two bidders participated in the bid; one won the 500 tons of Egyptian SBS quotas at the markup of NT\$0.660/kg (\$20.20/mt).

#### 2. Normal Tenders:

##### **GF4-980-171 for 10,000 tons U.S. origin medium/short brown rice:**

Three bidders participated in the bid. Tender failed because of offered bid prices exceeded the pre-set ceiling price level, with the lowest offered for NT\$27,995/mt (\$856.90/mt).

##### **GF4-980-172 for 8,700 tons U.S. origin medium/short milled rice (10,005 tons brown equivalent):**

Taiwan awarded 4,000tons (4,600 tons on brown) to one out of three bidders who participated in the bid at NT\$30,499/mt (\$933.54/mt). The remaining 4,700 tons (5,405 tons on brown bases) will be scheduled for October 1<sup>st</sup>.

Table 1 – Taiwan's 2009 Country-Specific Quota (CSQ) for Public Sector Imports

Country	SBS System	Normal Tender System	Total
Egypt	2,500	0	2,500
Thailand	8,300	0	8,300

Australia	10,000	8,634	18,634
USA	9,200	55,434	64,634
2009 Total	30,000	64,068	94,068
Taiwan completed the first tranche of 18,000 tons for SBS tender by 3/11/2009, and completed 8,000 tons of the second tranche for SBS tender as of 09/15/2009. In addition to 09/15/2009 awarded 4,600 tons of U.C. SCQ under normal tender, as of reporting date, Taiwan has completed 30,600 tons of its 2009 quotas for public sector imports – marking a 32.5-percent completion rate.			

**Table 2 – Summary Tender Schedule & Results for the 2009 CSQ Quota (08/25/2009 update)**

<b>Tender Type</b>	<b>Tendering Process</b>	<b>Tender Number and Country Origin</b>
SBS - Tranche 1 for importation by 12/31/2009	1 <sup>st</sup> tender: 12/30/2008	GF4-970-271 for 6,000 tons <b>U.S.</b> origin: completed at the 1 <sup>st</sup> tendering process at various markup prices -- 2,110 tons at <b>NT\$0.6/kg</b> (\$18.18/mt); 1,500 tons at <b>NT\$0.595/kg</b> (\$18.03/mt); another 1,500 tons at <b>NT\$0.59/kg</b> (\$17.88/mt); and the remaining 890 tons at <b>NT\$0.581/kg</b> (\$17.61/mt).
	1 <sup>st</sup> tender: 12/30/2008	GF4-970-272 for 6,000 tons <b>Australia</b> origin: Awarded 190 tons at the 1 <sup>st</sup> tendering process -- 150 tons at <b>NT\$2.5/kg</b> (\$75.76/mt); and 40 tons at <b>NT\$2.0/kg</b> (60.61/mt).
	2 <sup>nd</sup> tender: 01/14/2009	TGF4-970-272-1 for the remaining 5,810 tons failed at the 2 <sup>nd</sup> and 3 <sup>rd</sup> tendering processes because no bidders participated in the bidding.
	3 <sup>rd</sup> Tender: 01/21/2009	
	4 <sup>th</sup> Tender: 02/11/2009	GF4-970-272-1 for 5810 tons on a global basis. 2,500 tons were awarded at the 4 <sup>th</sup> tender to six bidders at the range of <b>NT\$8.2/kg to NT\$9.0/kg</b> .
	5 <sup>th</sup> tender: 03/11/2009	GF4-970272-2 for 3,310 tons on a global basis. The 5th tender was awarded to 3 bidders among 14 with respective quota amounts of 1,000 tons, 2,000 tons, and 310 tons all at one price <b>NT\$6.022/kg</b> .
<b>Sub-total: 18,000 tons</b>		
SBS – Tranche 2 for importation by 04/31/2010	1 <sup>st</sup> Tender 08/25/2009	GF4-980-153 for 3,200 tons <b>U.S.</b> origin: 650 tons completed at the 1 <sup>st</sup> tender process held on 08/25 of which 160 tons was awarded at NT\$0.501/kg (\$15.22/mt), and 460 tons at NT\$0.720/kg (\$21.87/mt).
	2 <sup>nd</sup> Tender 09/03/2009	2,460 tons completed at the 2 <sup>nd</sup> tender process held on 09/03 of which 2,000 tons was awarded to one U.S. rice handler and 460 tons to another U.S. rice handler and all at NT\$0.503/kg (\$15.27/mt).

	3 <sup>rd</sup> Tender 09/15/2009	The remaining 90 tons was successfully awarded to one U.S. rice handler at NT\$0.610/kg (\$18.67/mt).
	1 <sup>st</sup> Tender 08/25/2009	GF4-980-154 for 4,000 tons <b>Australia</b> origin rice: Failed because no bidders participated in the bid.
	2 <sup>nd</sup> Tender 09/03/2009	Failed at the second tendering process because of no bidders participated in the bid.
	3 <sup>rd</sup> Tender 09/15/2009	Failed at the third tendering process because of no bidders participated in the bid.
	TBD	The tender has failed three tendering processes and the quota will shift to global quota basis.
	1 <sup>st</sup> Tender 08/25/2009	GF4-980-155 for 2,300 tons <b>Thai</b> origin rice: Tender successfully concluded and was awarded to 3 out of 20 bidders participating in the bid at NT\$8.720/kg (\$264.96/mt).
	1 <sup>st</sup> Tender 08/25/2009	GF4-980-156 for 2,500 tons <b>Egypt</b> origin rice: Failed because only one bidder participated in the bid, which is invalid for competition.
	2 <sup>nd</sup> tender 09/03/2009	2,000 tons completed at the 2 <sup>nd</sup> tender process held on 09/03 of which 1,000 tons was awarded at NT\$0.560/kg (\$17.01/mt), and another 1,000 tons at NT\$0.660/kg (\$20.04/mt).
	3 <sup>rd</sup> Tender 09/15/2009	The remaining 500 tons was successfully awarded to one Egyptian rice handler at NT\$0.660/kg (\$20.20/kg).
<b>Sub-total: 12,000 tons</b>		
<b>Total SBS Quota: 30,000 tons</b>		
Normal Tender- 1 <sup>st</sup> Tranche of 20,005 tons of brown rice for delivery by 01/31/2010	1 <sup>st</sup> Tender is scheduled for 09/15/2009	GF4-980-171 for 10,000 tons U.S. origin medium/short brown rice  Three bidders participated in the bid. Tender failed because of offered bid prices exceeded the pre-set ceiling price level. Lowest bid offered was NT\$27,995/mt (\$856.90/mt).
	2 <sup>nd</sup> Tender TBD	
	1 <sup>st</sup> Tender is scheduled for 09/15/2009	GF4-980-172 for 8,700 tons U.S. origin medium/short milled rice (10,005 tons brown equivalent).  Taiwan awarded 4,000tons (4,600 tons on brown) to one out of three bidders who participated in the bid at NT\$30,499/mt (\$933.54/mt). The remaining 4,700 tons (5,405 tons on brown) is scheduled for tender on October 1 <sup>st</sup> .
Normal Tender-2 <sup>nd</sup> Tranche of 20,005 tons of brown rice for	1 <sup>st</sup> Tender is scheduled for 10/01/2009	GF4-980-191 for 10,000 tons U.S. origin medium/short brown rice

delivery by 02/28/2010	1 <sup>st</sup> Tender is scheduled for 10/01/2009	GF4-980-192 for 4,700 tons U.S. origin medium/short milled rice (5,405 tons brown equivalent)
<b>Total Normal Tender Quota: 640,068 tons</b>		